

CITY COUNCIL AGENDA

JUNE 5, 2007

SYNOPSIS

PETE CONSTANT
FORREST WILLIAMS
SAM LICCARDO
VACANT
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

CHUCK REED, MAYOR

PIERLUIGI OLIVERIO
MADISON P. NGUYEN
DAVID D CORTESE, VICE MAYOR
JUDY CHIRCO
NANCY PYLE

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

Welcome to the San José City Council meeting!

This Agenda contains both a Consent Calendar section for routine business items that require Council approval, and general business items arranged to correspond with San José's City Service Areas (CSAs). City Service Areas represent the policy-making level for strategic planning, policy setting, and investment decisions in the critical functions the City provides to the community. They are:

- ***Strategic Support Services*** — The internal functions that enable the CSAs to provide direct services to the community in an effective and efficient manner.
- ***Community & Economic Development*** — Manage the growth and change of the community in order to create and preserve healthy neighborhoods and ensure a diverse range of employment and housing opportunities.
- ***Neighborhood Services*** — Serve, foster, and strengthen community by providing access to lifelong learning and opportunities to enjoy life.
- ***Transportation & Aviation Services*** — A safe and efficient transportation system that contributes to the livability and economic health of the City; and provide for the air transportation needs of the community and the region at levels that is acceptable to the community.
- ***Environment and Utility Services*** — Manage environmental services and utility systems to ensure a sustainable environment for the community.
- ***Public Safety Services*** — Commitment to excellence in public safety by investing in neighborhood partnerships as well as prevention, enforcement, and emergency preparedness services.

Items listed in Section 9 require approval of both the City Council and the San José Redevelopment Agency Board.

You may speak to the City Council about any item that is on the agenda, and you may also speak on items that are not on the agenda during Open Forum. If you wish to speak to the City Council, please refer to the following guidelines:

- **Fill out a Yellow Speaker's Card and submit it to the City Clerk seated at the front table. Do this before the meeting or before the item is heard.** This will ensure that your name is called for the item(s) that you wish to address, and it will help ensure the meeting runs smoothly for all participants.
- When the Council reaches your item on the agenda, Mayor Reed will open the public hearing and call your name. Please address the Council from the podium, which is located to the left of the City Clerk's table.
- Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Mayor's discretion, depending on the number of speakers or the length of the agenda.
- To assist you in tracking your speaking time, there is a display on the podium. The green light turns on when you begin speaking; the yellow light turns on when you have 30 seconds left; and the red light turns on when your speaking time is up.

Please be advised that, by law, the City Council is unable to discuss or take action on issues presented during Open Forum. According to State Law (the Brown Act) items must first be noticed on the agenda before any discussion or action.

The San José City Council meets every Tuesday at 1:30 p.m. and every first and third Tuesday at 7 p.m., unless otherwise noted. If you have any questions, please direct them to the City Clerk's staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

Agendas and Staff Reports for City Council items may be viewed on the Internet at www.sanjoseca.gov/clerk/agenda.asp. Council Meetings are televised live and rebroadcast on Channel 26.

To arrange an accommodation under the Americans with Disabilities Act to participate in this public meeting, please call (408) 535-1260 or (408) 294-9337 (TTY) at least two business days before the meeting.

On occasion the City Council may consider agenda items out of order.

- **Call to Order and Roll Call**
9:10 a.m. - Closed Session, Call to Order in Council Chambers
Absent Council Members: None.
Vacant: District 4.

1:32 p.m. - Regular Session, Council Chambers, City Hall
Absent Council Members: None.
Vacant: District 4.

7:03 p.m. - General Plan Hearings, Council Chambers, City Hall
- Public Hearings, Council Chambers, City Hall
Absent Council Members: None.
Vacant: District 4.
- **Invocation (District 6)**
Father John Asimacoupolos of St. Nicholas Church presented the invocation.
- **Pledge of Allegiance**
Mayor Reed and the students from Renaissance Academy led the Pledge of Allegiance.
- **Orders of the Day**
The Orders of the Day and the Amended Agenda were approved, with Item 11.6 continued to June 19, 2007.
- **Closed Session Report**
No Report.

1. CEREMONIAL ITEMS

- 1.1 Presentation of a commendation to Mr. Diego Certa, Principal of Overfelt High School, upon his retirement after 36 years of service. (Campos)
Heard in the evening.
Mayor Reed and Council Member Campos presented a commendation to Mr. Diego Certa, Principal of Overfelt High School for 36 years of service.
- 1.2 Presentation of a commendation to Renaissance Academy for being named a California Distinguished School. (Campos)
(Rules Committee referral 5/23/07)
Mayor Reed and Councilmember Campos presented a commendation to the Academy for achieving the status of “California Distinguished School”.
- 1.3 Presentation of commendations to District 9 Stars. (Chirco)
Heard in the evening.
Mayor Reed and Council Member Chirco recognized and commended Kristen Engineer, Sum Tran, Wally Pownall, Ken Hazen, Rob Davis, Roger Falkonitz, Jamie Mathews, Rafles Warnars, Lyle Pardum, Raul Hernandez, Marcella Morales, Darlene Marquez, Ana Barragav, Victoria Ramirez, Adolfo Praga, Wendy Cruz, Greg Murdock and Robert Hennessey.

2. CONSENT CALENDAR

- 2.1 **Approval of Minutes.**
There were none.
- 2.2 **Final adoption of ordinances.**

Recommendation: Final adoption of ordinances.

- (a) ORD. NO. 28044 – Containing a description of the Redevelopment Agency of the City of San José’s Program to acquire real property by eminent domain in its adopted redevelopment project areas.
Ordinance No. 28044 adopted.
- (b) ORD. NO. 28045 – Prezoning certain real property situated at the southeast corner of Piercy Road and Tennant Avenue (715 Piercy Road) to A(PD) Planned Development Zoning District. PDC06-102
Ordinance No. 28045 adopted.
- (c) ORD. NO. 28046 – Rezoning certain real property, situated at 90 Archer Street at the southwest corner of Archer Street and Kerley Drive, to A(PD) Planned Development Zoning District. PDC06-085
Ordinance No. 28046 adopted.

2. CONSENT CALENDAR

2.2 Final adoption of ordinances. (Cont'd.)

- (d) ORD. NO. 28047 – Rezoning certain real property situated on the north side of Willow Glen Way, approximately 450 feet west of Padres Creek Drive (701 Willow Glen Way) to A(PD) Planned Development Zoning District. PDC06-118
Ordinance No. 28047 adopted.
- (e) ORD. NO. 28048 – Rezoning certain real property, generally bounded by Lincoln Avenue and Northrup Street to the east, by Interstate 280 to the south, by Race Street to the west, and by industrial buildings and the VTA Light Rail Tracks to the north, to A(PD) Planned Development Zoning District. PDC06-024
Ordinance No. 28048 adopted.
- (f) ORD. NO. 28049 – Rezoning certain real property generally bounded by Lincoln Avenue and Northrup Street to the east, by industrial buildings on the south side of Auzerai Avenue to the north, by Race Street to the west, and by the VTA Light Rail Tracks to the south, to A(PD) Planned Development Zoning District. PDC06-025
Ordinance No. 28049 adopted.
- (g) ORD. NO. 28050 – Rezoning certain real property situated on the east side of Taft Drive, approximately 200 feet northerly of Blossom Valley Drive (5410 Taft Drive) to A(PD) Planned Development Zoning District. PDC06-027
Ordinance No. 28050 adopted.
- (h) ORD. NO. 28051 – Rezoning certain real property situated on the east side of Senter Road, approximately 200 feet southerly of Burke Street and 550 feet northerly of Quinn Avenue (2222 Senter Road) to A(PD) Planned Development Zoning District. PDC06-119
Ordinance No. 28051 adopted.
- (i) ORD. NO. 28052 – Adopting salaries, pursuant to City Charter Section 407, and other compensation for the Mayor and Councilmembers recommended by the Council Salary Setting Commission.
Ordinance No. 28052 adopted.
- (j) ORD. NO. 28054 – Rezoning certain real property situated on a portion of a block bounded by The Alameda, Emory Street, Naglee Avenue and Morse Street. On the east side of Morse Street, approximately 150 feet northerly of Naglee Avenue (744 Morse Street) to A(PD) Planned Development Zoning District. PDC06-100
Ordinance No. 28054 adopted.

2. CONSENT CALENDAR

2.2 Final adoption of ordinances. (Cont'd.)

- (k) ORD. NO. 28055 – Amending Ordinance No. 27606 and repealing Ordinance No. 27932 to extend the entire period of the limited pilot program to allow certain second residential units, from January 1, 2006 to October 31, 2007, which program automatically terminates if 100 permits are issued; and amending Ordinance No. 27675 to extend until October 31, 2007 the temporary suspension of Chapter 14.25 of Title 14 of the San José Municipal Code pertaining to park impact requirements otherwise applicable to second units, without modifying other parts of the second unit pilot program.

Ordinance No. 28055 adopted.

2.3 Approval to amend an agreement to implement the Public Art Master Plan.

Recommendation: Approval of an amendment to the agreement between the City of San José and Brown & Keener Bressi to implement a portion of the Public Art Master Plan by developing Public Art Focus Plans for Downtown and increase the contract amount by \$47,500, for a total amount not to exceed \$137,500. CEQA: Not a Project. (Economic Development)

(Deferred from 5/15/07 – Item 2.7)

Approved.

2.4 Approval to amend an agreement with FedEx Kinko's for copying services.

Recommendation: Adoption of a resolution authorizing the Director of Finance to execute the second amendment to the agreement with FedEx Kinko's Office and Print Services, Inc. extending the term of the agreement from May 30, 2007 to August 31, 2007 and increasing the cost for black and white and color impressions and setting the cost for other services at a 5% discount of published rates. CEQA: Not a Project.

(Finance)

(Deferred from 5/22/07 – Item 2.6)

Resolution No. 73777 adopted.

2.5 Approval of actions related to the annexation of Winchester No. 40.

Recommendation: Adoption of a resolution ordering the reorganization of the territory designated as Winchester No. 40 which involves the annexation to the City of San José of 0.42 acres more or less of land located at the west side of Spar Avenue, approximately 130 feet northerly of Olin Avenue, and generally bounded by the City of San José Annexations Winchester No. 11, 33 and 38, and the detachment of the same from the appropriate special districts including Central Fire Protection, West Valley Sanitation, County Lighting Services and Area No. 01 (Library) County Service. CEQA: Resolution No. 65459, File No. C06-144. Council District 1. (Planning, Building and Code Enforcement)

(Deferred from 5/22/07 – Item 2.10)

Resolution No. 73778 adopted.

2. CONSENT CALENDAR

2.6 Request for excused absences for Councilmember Chirco.

Recommendation: Request for excused absences for Councilmember Chirco from the Capital Budget Study Session and Rules Committee Meetings on May 16, 2007 due to illness. (Chirco)

(Rules Committee referral 5/23/07)

Approved

2.7 Acceptance of the Office of the City Auditor's Report.

Recommendation: Acceptance of the Office of the City Auditor's *Sales Tax Audit Results for the Quarter Ended December 31, 2006*. (City Auditor)

(Rules Committee referral 5/23/07)

Report Accepted.

2.8 Request for an excused absence for Councilmember Constant.

Recommendation: Request for an excused absence for Councilmember Constant from the Regular Meeting of the Public Safety, Finance and Strategic Support Committee on May 17, 2007 due to illness. (Constant)

(Rules Committee referral 5/23/07)

Approved.

2.9 Approval to set Public Hearings on the Business Improvement Districts.

Recommendation:

- (a) Preliminary approval of the report as filed by the Japantown Business Improvement District Advisory Board or as modified by Council, and adoption of a resolution of intention to levy the annual assessment for 2007-2008, and setting June 19, 2007 at 1:30 p.m. as the date and time for the public hearing on the levy of the proposed assessments. CEQA: Exempt, PP03-05-165. Council District 3. SNI: 13th Street. (Economic Development)

Resolution No. 73779 adopted.

- (b) Preliminary approval of the report as filed by the Willow Glen Business Improvement District Advisory Board, or as modified by Council, and adoption of a resolution of intention to levy the annual assessment for 2007-2008, and setting June 19, 2007 at 1:30 p.m. as the date and time for the public hearing on the levy of the proposed assessments. CEQA: Exempt, PP03-05-165. Council District 6. (Economic Development)

Resolution No. 73780 adopted.

2. CONSENT CALENDAR

2.9 Approval to set Public Hearings on the Business Improvement Districts. (Cont'd.)

- (c) Preliminary approval of the report as filed by the Hotel Business Improvement District Advisory Board or as modified by Council, and adoption of a resolution of intention to levy the annual assessment for 2007-2008, and setting June 19, 2007 at 1:30 p.m. as the date and time for the public hearing on the levy of the proposed assessments. CEQA: Exempt, PP03-05-165. Council District 3. SNI: 13th Street. (Economic Development)

Resolution No. 73781 adopted.

- (d) Preliminary approval of the report as filed by the Downtown Business Improvement District Advisory Board, or as modified by Council, and adoption of a resolution of intention to levy the annual assessment for 2007-2008, and setting June 19, 2007 at 1:30 p.m. meeting as the date and time for the public hearing on the levy of the proposed assessments. CEQA: Exempt, PP03-05-165. Council District 3. SNI: St James Square, University, Josefa/Auzerais, Burbank/DelMonte. (Economic Development)

Resolution No. 73782 adopted.

2.10 Approval to set a public hearing on the cost of sidewalk repairs.

Recommendation: Adoption of a resolution setting a public hearing on June 26, 2007 at 1:30 p.m. for the approval of the report of the Director of Finance on the cost of sidewalk repairs. CEQA: Not a Project. (Finance)

Resolution No. 73783 adopted.

2.11 Approval of actions related to the annexation of Monterey Park No. 109.

Recommendation: Adoption of a resolution initiating proceedings and setting June 19, 2007 at 1:30 p.m. for Council consideration on the reorganization of the territory designated as Monterey Park No. 109 which involves the annexation to the City of San José of 4.37 gross acres of land located at the Northwesterly corner of Curtner Avenue and Stone Avenue, and the detachment of the same from the appropriate special districts including County Lighting Services, Central Fire Protection, Area No. 01 (Library Services) County Service, and County Sanitation Districts 2-3. CEQA: Resolution No. 65459. Council District 7. (Planning, Building and Code Enforcement)

Resolution No. 73784 adopted.

2.12 Approval of the Annual Budget Reports for Fiscal Year 2007-2008 for various Maintenance Districts.

Recommendation: Adoption of resolutions approving, confirming and adopting the Annual Budget Reports for Fiscal Year 2007-2008 for the City of San José Maintenance Districts 1, 2, 5, 8, 9, 11, 13, 15, 18, 19, 20, 21 and 22 and levying the assessments therein. CEQA: Not a Project. Council Districts 2, 3, 4 and 8. (Public Works)

Resolution Nos. 73785-73797 adopted.

2. CONSENT CALENDAR

2.13 Report on bids and approval to award the contract for the Yerba Buena Road/San Felipe Corner Park Improvement Project.

Recommendation:

- (a) Report on bids and award of contract for the Yerba Buena Road/San Felipe Corner Park Improvement Project to the low bidder, Golden Bay Construction, Inc., for the base bid of \$195,268 and approval of a contingency in the amount of \$10,000.

Approved.

- (b) Adoption of the following Appropriation Ordinance Amendments in the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District 8 (Fund 386):

- (1) Increase the Yerba Buena Road/San Felipe Corner Park Improvement appropriation to the Parks, Recreation and Neighborhood Services Department by \$65,000; and
 - (2) Decrease the Ending Fund Balance by \$65,000.

CEQA: Exempt, File No. PP06-068. Council District 8. (Public Works/Parks, Recreation and Neighborhood Services/City Manager's Office)

Ordinance No. 28056 adopted.

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the Rules and Open Government Committee – May 2, 2007 Mayor Reed, Chair

- (a) City Council
 - (1) Review New Add Items to May 8, 2007 Agenda
There were none.
 - (2) Review May 15, 2007 Draft Agenda
The Committee approved the May 8, 2007 Council Agenda with six additions.
- (b) Redevelopment Agency items reported out at Redevelopment Agency meeting
- (c) Legislative Update
 - (1) State
There were none.
 - (2) Federal
There were none.
- (d) Meeting Schedules
There were none.

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the Rules and Open Government Committee – May 2, 2007 (Cont'd.)

Mayor Reed, Chair

(e) The Public Record

The Committee directed the City Manager's Office to refer the correspondence from Senior Citizens Commission Chair Don Blankenship dated April 2, 2007 regarding bus service to seniors to the Valley Transportation Authority. The Committee added the request by BAREC to consider preserving the land on Winchester across from Valley Fair to the May 9, 2007 Rules and Open Government Committee agenda for further discussion.

(f) Appointments to Boards, Commissions and Committees

The Committee directed the City Clerk to contact applicants interviewed on February 13, 2007 for the Planning Commission but not appointed to determine interest in re-interviewing with the City Council to fill a vacancy due to the resignation of Commissioner Bob Dhillon. The Committee referred this item back to Rules and Open Government Committee on May 9, 2007.

(g) Rules Committee Reviews, Recommendations and Approvals

(1) Council Expenditures and Reimbursements. (City Clerk/City Attorney)

Continued from January 31, 2007

Deferred from April 25, 2007

The Committee continued this item to May 9, 2007 for further discussion.

(2) Mexican Heritage Corporation Audit Discussion

(a) Mexican Heritage Corporation – Supplemental Information. (City Auditor)

(b) Response to Mexican Heritage Corporation Audit Recommendations. (City Manager)

HEARD BY COUNCIL 5/22/07

The Committee approved the recommendation noted in the City Auditor's Report. The Committee accepted Staff's workplan and forwarded those recommendations to City Council for approval.

(h) Review of Council Committee Agendas

(1) Community and Economic Development Committee

(2) Neighborhood Services and Education Committee

(3) Transportation and Environment Committee

(4) Public Safety, Finance and Strategic Support Committee

There were none.

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the Rules and Open Government Committee – May 2, 2007 (Cont'd.)

Mayor Reed, Chair

(i) Open Government Initiatives

(1) Reed Reforms

(a) Acceptance of the proposed curriculum for a Council Assistant Certification Program per Reed Reform #25, as amended. (City Manager)

Continued from April 25, 2007

HEARD BY COUNCIL 5/22/07

The Committee accepted the proposed curriculum and this item will be placed on the May 22, 2007 City Council Agenda.

(2) Sunshine Reform Task Force

(3) Significant Public Records Act Requests

(4) Council Policy Manual Update

There were none.

(j) Open Forum

There were none.

(k) Adjournment

(Deferred from 5/22/07 – Item 3.1)

The meeting was adjourned at 4:06 p.m.

The Rules and Open Government Committee Report and the Actions of May 2, 2007, were accepted.

3.2 Report of the Rules and Open Government Committee – May 9, 2007

Mayor Reed, Chair

(a) City Council

(1) Review May 15, 2007 Final Agenda

The Committee approved the May 15, 2007 Council Agenda with three additions.

(2) Review May 22, 2007 Draft Agenda

The Committee approved the May 22, 2007 Council Agenda with eight additions.

(b) Redevelopment Agency items reported out at Redevelopment Agency meeting

3. STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules and Open Government Committee – May 9, 2007 (Cont'd.)

Mayor Reed, Chair

(c) Legislative Update

(1) State

(a) AB 239 (DeSaulnier) – Counties' Right to Levy Increased Recording Fees to Fund Affordable Housing Development.
The Committee agreed to defer a decision on AB 239 for one week and return to the Rules and Open Government Committee on May 16, 2007.

(b) AB 763 (Saldana) – Consistent and More Rigorous Notification Standards for Landlords Wishing to Convert Rental Units into Condominiums.

(c) AB 927 (Saldana) – Required Senior Rental Housing in the Multifamily Housing Program.
The Committee approved support positions for AB 763 (Saldana) and AB 927 (Saldana) and directed Staff to send the recommendations to Council on May 15, 2007.

(d) Photo Radar for Speed Enforcement
The Committee accepted the report.

(2) Federal
There were none.

(d) Meeting Schedules

(1) Adopt revised 2007-2008 Budget Study Session Schedule. (Budget Office)
The Committee approved the 2007-2008 Budget Study Session Schedule.

(e) The Public Record
The Committee approved to note and file the public record.

(f) Appointments to Boards, Commissions and Committees

(1) Planning commission interviews. (City Clerk)
See under A.2 action taken.

3. STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules and Open Government Committee – May 9, 2007 (Cont'd.)

Mayor Reed, Chair

- (g) Rules Committee Reviews, Recommendations and Approvals
 - (1) Council Expenditures and Reimbursements. (City Clerk/City Attorney)
Continued from May 2, 2007.
The Committee directed Staff to report back with an overview of a schedule for discussion of the draft Council Expenditure and Reimbursement Policy. The Committee requested the schedule enable the Committee to accomplish the following objectives: (1) Discuss each policy element in detail; (2) Discuss the overall policy during a one-hour time certain session; and (3) Present a comprehensive draft policy for City Council consideration prior to June 30, 2007.
 - (2) Committee discussion on Correspondence from Save Bay Area Research Extension Center (BAREC) regarding the 17 acre BAREC property on Winchester across from Valley Fair. (Rules Committee Referral)
The Committee directed Staff to prepare an information memorandum on this property and related issues.
- (h) Review of Council Committee Agendas
 - (1) Community and Economic Development Committee
The Committee approved the recommended addition to the CEDC agenda on May 21, 2007.
 - (h) Review of Council Committee Agendas (Cont'd.)
 - (2) Neighborhood Services and Education Committee
 - (3) Transportation and Environment Committee
 - (4) Public Safety, Finance and Strategic Support Committee**There were none.**
- (i) Open Government Initiatives
 - (1) Reed Reforms
 - (2) Sunshine Reform Task Force
 - (3) Significant Public Records Act Requests**There were none.**
- (4) Council Policy Manual Update
 - (a) Approval to validate selected policies contained in the City Council Policy Manual. (City Manager)
The Committee approved the validation of the selected policies contained in the City Council Policy Manual and forwarded the policies to the City Council as a cross-reference.
- (j) Open Forum
There were none.

3. STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules and Open Government Committee – May 9, 2007 (Cont'd.)

Mayor Reed, Chair

(k) Adjournment

The meeting was adjourned at 3:42 p.m.

The Rules and Open Government Committee Report and the Actions of May 9, 2007, were accepted.

3.3 Report of the Rules and Open Government Committee – May 16, 2007

Mayor Reed, Chair

(a) City Council

(1) Review May 22, 2007 Final Agenda

The Committee approved the May 22, 2007 Council Agenda with six additions.

(2) Review May 29, 2007 Draft Agenda

NONE – MEETING CANCELED

(b) Redevelopment Agency items reported out at Redevelopment Agency meeting

(c) Legislative Update

(1) State

(a) AB 239 (DeSaulnier) – Counties' Right to Levy Increased Recording Fees to Fund Affordable Housing Development. (Housing)

Continued from May 9, 2007

The Committee agreed to take a “watch” position on this bill and send it to Council for approval on May 22, 2007.

(1) State

(b) Adopt Support Position for House Resolution 243 (Smith) – Human Rights Reform in Vietnam. (Cortese)

The Committee authorized the Mayor to sign a letter in support of HR 243 (Smith) and referred the issue to the City's Human Rights Commission.

(2) Federal

There were none.

(d) Meeting Schedules

There were none.

(e) The Public Record

The Committee noted and filed the Public Record.

3. STRATEGIC SUPPORT SERVICES

3.3 Report of the Rules and Open Government Committee – May 16, 2007 (Cont'd.)

Mayor Reed, Chair

- (f) Appointments to Boards, Commissions and Committees

There were none.

- (g) Rules Committee Reviews, Recommendations and Approvals

- (1) Council Expenditures and Reimbursements. (City Clerk/City Attorney/Finance)

Continued from May 9, 2007

The Committee continued the discussion of “Food and Beverage” to May 23, 2007.

- (h) Review of Council Committee Agendas

- (1) Community and Economic Development Committee
(2) Neighborhood Services and Education Committee
(3) Transportation and Environment Committee
(4) Public Safety, Finance and Strategic Support Committee

The Committee approved the amended workplan and special meeting.

- (i) Open Government Initiatives

- (1) Reed Reforms
(2) Sunshine Reform Task Force
(3) Significant Public Records Act Requests
(4) Council Policy Manual Update

There were none.

- (j) Open Forum

None.

- (k) Adjournment

The meeting was adjourned at 4:06 p.m.

The Rules and Open Government Committee Report and the Actions of May 16, 2007, were accepted.

3.4 Report of the Public Safety, Finance and Strategic Support Committee – May 17, 2007

Councilmember Nguyen, Chair

- (a) Consent Calendar

- (1) FY 2006-07 Third Quarter Debt Report. (Finance)
(2) FY 2006-07 Third Quarter Investment Report. (Finance)

The Committee approved the Consent Calendar.

- (b) Review of the Airport Financing Plan for the Phase I Airport Master Plan Projects. (Finance/Airport)

The Committee accepted the report.

3. STRATEGIC SUPPORT SERVICES

3.4 Report of the Public Safety, Finance and Strategic Support Committee – May 17, 2007 Councilmember Nguyen, Chair (Cont'd.)

- (c) Review and Discussion from Management Partners on Performance Measures Specified in the Annual Budget. (City Manager's Office)

The Committee moved to pass the information on to Committee members absent during the motion and to City Council.

- (d) Review of City Financial Investment Program and Investment Policy. (Finance)

- (1) Review of City Financial Investment Program by External Auditor. (Finance)

The Committee requested Staff to draft a supplemental report and report out to City Council in two weeks.

- (2) Review and Approval of Proposed Changes to Investment Policy. (Finance)

SEE ITEM 3.7 FOR COUNCIL ACTION TO TAKEN

The Committee approved Staff's recommendations with modifications.

- (e) Redevelopment Agency Monthly Financial Reports. (RDA)

- (1) Financial Statements – March 2007
 - (2) Capital Cost Report – March 2007
 - (3) Cash Flow Projections – March 2007

The Committee approved the reports; information from the reports to be provided to Committee members not present during the reports.

- (f) An Audit of the Bridge Repair Program. (Auditor)

- (g) An Audit of the Traffic Calming Program. (Auditor)

- (h) Semi-Annual Recommendation Follow-up Report on all Outstanding Audit Recommendations for the Six Months ended December 31, 2006. (Auditor)

These items deferred by Committee.

- (i) Oral Petitions

There were none.

- (j) Adjournment

The meeting was adjourned at 4:22 p.m.

The Public Safety, Finance and Strategic Support Committee Report and the Actions of May 17, 2007, were accepted.

3. STRATEGIC SUPPORT SERVICES

3.5 Approval of actions related to the Rule 20A and Rule 20B In-Lieu Fee Underground Utility Program.

Recommendation:

- (a) Approval of the proposed Fiscal Year 2006/07 - 2011/12 Fiscal Year Workplan for the Rule 20A and Rule 20B (In-Lieu Fee) Underground Utility Program.
- (b) Direct staff to work with PG&E and return to Council in September with a revised workplan that provides for expedited delivery of Rule 20A Projects.

CEQA: Not a Project. (Public Works)

(Deferred from 5/1/07 Item - 3.4 and 5/15/07 - Item 3.3 and 5/22/07 – Item 3.9)

Approved.

3.6 Elections Commission recommendation to change special eligibility requirement that one member of the Elections Commission be an attorney-at-law.

Recommendation: Approval of an ordinance amending the San José Municipal Code to change the special eligibility requirement that one member of the Elections Commission be an attorney-at-law licensed to practice in California. (City Clerk)

[Rules Committee referral 5/23/07 – Item A2(a)2]

No action taken.

3.7 Review and acceptance of the City's Financial Investment Program and Investment Policy.

Recommendation:

- (a) Review and acceptance of the "City of San José Investment Unit Evaluation Report" prepared by Macias Consulting Group as modified by the responses prepared by the Director of Finance and review of the supplemental information requested by the Public Safety Finance & Strategic Support Committee regarding adding resources to the Investment Program as outlined in the Macias Report.

Report Accepted.

- (b) Adoption of a resolution approving the City of San José Investment Policy, including certain changes thereto.

CEQA: Not a Project. (Finance)

[Public Safety, Finance and Strategic Support Committee referral 5/17/07 - Item 3.4(d)]

Resolution No. 73798 adopted. Council referred the Investment Program additional resources discussion to June 12, 2007. Staff directed to:

- (1) Provide a Manager's Budget Amendment outlining the costs and revenues.
- (2) Work to create a voluntary advisory group to support the independent investor.

Noes: Oliverio.

3. STRATEGIC SUPPORT SERVICES

3.8 Approval of actions related to pending Housing related legislation.

Recommendation: As recommended by the Rules and Open Government Committee:

- (a) AB 1252 (Caballero) – Housing-Related Parks Program: adoption of a support position, with amendments, for AB 1252 (Caballero).
[Rules Committee referral 5/23/07 – Item C1(a)]
- (b) AB 1460 (Saldaña) – Multifamily Housing Program: Project Prioritization: adoption of a support position for AB 1460 (Saldaña).
[Rules Committee referral 5/23/07 – Item C1(b)]
- (c) SB 46 (Perata) – Proposition 1C Regional Planning, Housing and Infill Incentive Account: adoption of a support position, with amendments, for SB 46 (Perata).
[Rules Committee referral 5/23/07 – Item C1(c)]
- (d) SB 586 (Dutton) – Proposition 1C Innovation Fund: adoption of an oppose position, unless amended, for SB 586 (Dutton).
[Rules Committee referral 5/23/07 – Item C1(d)]

(Housing)

Approved.

3.9 Approval to amend the City's Deferred Compensation Plan to permit participant loans.

Recommendation: Approval of an ordinance amending Chapter 3.48 of Title 3 of the San José Municipal Code by adding Section 3.48.140 to permit loans to participants for the City of San José Deferred Compensation Plan. CEQA: Not a Project. (Human Resources)

Ordinance No. 28057 passed for publication.

3.10 Approval of actions related to City Manager compensation.

Recommendation:

- (a) Adoption of a resolution amending the City of San José Pay Plan, setting the salary and approving benefits for City Manager Ms. Debra Figone as outlined in the May 14, 2007 letter from Mayor Reed.
- (b) Authorize the City Clerk to execute an employment agreement between the City of San José and Ms. Debra Figone for services as City Manager.

(Mayor/City Clerk)

[Rules Committee referral 5/23/07 – Item A2(a)1]

Resolution No. 73799 adopted.

3.11 Elections Commission Interview.

Recommendation: Interview Elections Commission applicant and consider appointment to fill one unexpired term ending March 1, 2011. (City Clerk)

(Rules Committee referral 5/30/07)

Tony Ventura was appointed to the Elections Commission to an unexpired term ending 03/01/11.

3. STRATEGIC SUPPORT SERVICES

3.12 Approval of actions related to SB 966 (Simitian and Kuehl) – Pharmaceutical Drug Disposal.

Recommendation:

- (a) Support Senate Bill 966, Pharmaceutical Drug Disposal;
- (b) Authorize a letter of support to Senator Simitian and Kuehl; and
- (c) Authorize Environmental Services staff to participate as technical resources during the development of future legislation on pharmaceutical or drug disposal.

CEQA: Not a Project. (Environmental Services)

[Rules and Open Government Committee Referral 5/30/07 – Item (c)(1)(a)]

Approved.

3.13 Approval of actions related to the News Media Member of the Sunshine Reform Task Force.

Recommendation: Amend the membership criteria of the Sunshine Reform Task Force to exempt the News Media representative from the residency requirement and appoint Bert Robinson to the Sunshine Reform Task Force. CEQA: Not a Project. (Mayor)

[Rules and Open Government Committee Referral 5/30/07 – Item (f)(1)]

Approved.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Report of the Community & Economic Development Committee Councilmember Pyle, Chair

No Report.

4.2 Approval of fiscal actions for the Casa Feliz Studio Apartments Project.

Recommendation: Adoption of a resolution of the City Council:

- (a) Authorizing the issuance of tax-exempt multifamily housing revenue bonds designated as "City of San José Multifamily Housing Revenue Bonds (Casa Feliz) Series 2007A" in an aggregate principal amount not to exceed \$11,000,000 (the "Bonds");
- (b) Approving a loan of Bond proceeds to Casa Feliz Studios, L.P., a California limited partnership, for financing the construction of the Casa Feliz Studio Apartment Project located at 525 South Ninth Street in San José;
- (c) Approving in substantially final form the Bonds, Indenture, Loan Agreement, Regulatory Agreement and Declaration of Restrictive Covenants and Bond Purchase Agreement; and

(Item continued on the next page.)

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.2 Approval of fiscal actions for the Casa Feliz Studio Apartments Project. (Cont'd.)

- (d) Authorizing the City Manager or other authorized officers to execute and, as appropriate, to negotiate, execute and deliver these bond documents and other related bond documents as necessary.

CEQA: Mitigated Negative Declaration, File No. PDC05-020. Council District 3. SNI: University. (Finance/Housing)

Resolution No. 73800 adopted.

4.3 Approval of a funding commitment for an Affordable Housing Facility for low-income youth.

Recommendation: Adoption of a resolution approving amendments to a funding commitment to the Unity Care Group for an affordable housing facility for low-income youth who are aging out of foster care:

- (a) Changing the number of units to be purchased and rehabilitated by the Unity Care Group to seven affordable housing units for low-income youth aging out of foster care and one unit for a resident monitor; and
- (b) Increasing the grant amount from \$1,700,000 to \$2,125,000, including \$1,650,000 for the acquisition of the four-plexes at 115 and 109 Roundtable Drive and \$475,000 for improvements to the properties.

CEQA: Exempt, File No. PP06-199. Council District 2. SNI: Edenvale/Greater Oaks. (Housing)

Resolution No. 73801 adopted.

5. NEIGHBORHOOD SERVICES

5.1 Report of the Neighborhood Services and Education Committee Councilmember Chirco, Chair

No Report.

5.2 Approval of actions related to the Healthy Neighborhood Venture Fund Contract Management.

Recommendation: Acceptance of the report on Healthy Neighborhood Grants Contract Management and the HNVF transition to a Results Accountability Model beginning with the FY 08-09 grant cycle. CEQA: Not a Project. (Parks, Recreation and Neighborhood Services)

[Neighborhood Services and Education Committee referral 5/10/07 – Item 5.1(d)]
(Deferred from 5/22/07 – Item 5.2)

Report accepted.

5. NEIGHBORHOOD SERVICES

5.3 Approval of actions related to the Northside Community Center Request for Proposal.

Recommendation:

- (a) Reject the proposal submitted by Asian American Recovery Services, Inc. in response to the Request for Proposals to operate the Jacinto “Tony” Siquig Northside Community Center (NCC).
 - (b) Acceptance of the staff recommendation to continue City oversight of the facility as a permanent solution.
 - (c) Refer on-going funding for City operations at NCC to the FY 2008-09 budget process. CEQA: Not a Project. Council District 3. SNI: 13th Street. (Parks, Recreation and Neighborhood Services)
- (Deferred from 3/13/07 – Item 5.3 and 4/3/07 – Item 5.2)

Heard in the evening.

Approved, with the following directions:

- (1) **Refer on-going funding for City operations at JTSNCC to the FY 2008-2009 budget process.**
- (2) **Immediately negotiate with every non-profit agency identified in the AARS proposal, and any additional non-profit agencies interested in providing services at JTSNCC;**
 - (a) **Direct staff to conduct all negotiations involving JTSNCC in a manner consistent with Facility Re-Use Option 4, as described in the City memorandum dated December 8, 2006, and**
 - (b) **no later than September of 2007, report to Council the status of negotiations with non-profit agencies interested in providing services located in JTSNCC.**

Noes: Cortese and Pyle.

5.4 Approval of fiscal actions for the Tuscany Hills Park and Neighborhood Trail Turnkey Project.

Recommendation:

- (a) Adoption of the following Appropriation Ordinance Amendments in the Subdivision Park Trust Fund:
 - (1) Establish an appropriation to the Department of Public Works in the amount of \$154,000 for the Tuscany Hills Parks and Neighborhood Trail Turnkey Project;
 - (2) Establish an appropriation to the Parks, Recreation and Neighborhood Services Department in the amount of \$771,000 for the KB Home Reimbursement for Tuscany Hill Parkland Fees Project;
 - (3) Decrease the Reserve: Communications Hill by \$925,000.
- Ordinance No. 28058 adopted.**

5. NEIGHBORHOOD SERVICES

5.4 Approval of fiscal actions for the Tuscany Hills Park and Neighborhood Trail Turnkey Project. (Cont'd.)

- (b) Approval of a Turnkey Park Agreement with KB Home, South Bay, Inc., for Planned Development Permit PD03-022, associated with Tentative Map No. PT00-152.

CEQA: Resolution No. 70194. Council District 7. (Parks, Recreation and Neighborhood Services)

Approved.

5.5 Approval of the Cahill Park Play Lot Master Plan.

Recommendation: Approval of the master plan for the new Cahill Park play lot. Council District 6. SNI: Burbank/Del Monte. CEQA: Exempt, File No. PP07-056. (Parks, Recreation and Neighborhood Services)

Approved.

6. TRANSPORTATION & AVIATION SERVICES

6.1 Report of the Transportation and Environment Committee – May 21, 2007 Councilmember Williams, Chair

- (a) Caltrans Director's Report and Freeway Litter Removal Initiatives. (DOT)
The Committee accepted the report.
- (b) Review of Performance Measure Reporting. (CMO)
The Committee took no action on this item.
- (c) Status Report on Environmentally Responsible Fleet Replacement Policy. (GS)
The Committee accepted the report and recommended to Council approval of City membership in the Plug-in Partners National Campaign.
- (d) Environmental Management System Pilot Report and Expansion to Other City Operations. (ESD)
Deferred to August.
- (e) Water Supply Issues Including San Francisco Public Utilities Commission (SFPUC) Negotiations & Rates. (ESD)
The Committee accepted the report.
- (f) Sewer Service & Use Charge Fund Financing Alternatives to Address Critical Infrastructure Needs. (ESD/PW/DOT)
Deferred to Fall.

6. TRANSPORTATION & AVIATION SERVICES

6.1 Report of the Transportation and Environment Committee – May 21, 2007 Councilmember Williams, Chair (Cont'd.)

- (g) Union Pacific Railroad Coordination. (DOT)
The Committee deferred to August.
- (h) Report on Infrastructure Deferred Maintenance Strategy Workplan. (CMO)
The Committee accepted the report.
- (i) Report on tree Preservation Workplan. (CMO/DOT)
The Committee accepted the report and accompanying workplan to allow Staff to continue their efforts to improve tree preservation in San José.
- (j) Support for National Campaign to Manufacture and Use Plug-in Electric Hybrid Vehicles. (ESD)
SEE ITEM 6.6 FOR COUNCIL ACTION TO BE TAKEN
- (k) Greenhouse Gas Reduction Goals Development Process. (ESD)
The Committee accepted the report and moved forward the recommendation that the City Council adopt the recommended greenhouse gas emission (GHG) reduction goal for municipal activities.
- (l) Update on Key Recycle Plus Transition. (ESD)
The Committee accepted the report with only two members present.
- (m) Oral Petitions
There were none.
- (n) Adjournment
The Meeting was adjourned at 5:07 p.m.

The Transportation and Environment Committee Report and the Actions of May 21, 2007, were accepted.

6.2 Approval to establish parking rates, charges and fees at the Airport.

Recommendation: Adoption of a resolution establishing parking rates, charges and fees at the Norman Y. Mineta San José International Airport and repealing Resolution No. 71745. CEQA: Resolution Nos. 67380 and 71451, File No. PP07-047. (Airport)
Resolution No. 73802 adopted.

6. TRANSPORTATION & AVIATION SERVICES

6.3 Approval of actions related to the Airport Advertising Concessions Agreement.

Recommendation: Adoption of a resolution authorizing the City Manager to:

- (a) Negotiate and execute a Concession Agreement with Clear Channel Outdoor, Inc., d/b/a Clear Channel Airports for Option #5, the placement of fixed display in-terminal advertising, outdoor advertising, transit/bus shelter advertising and promotional marketing opportunities at the Norman Y. Mineta San José International Airport, for a seven-year term from the date of execution, with an option in the City's sole discretion to extend the term for an additional three-year period, and with a minimum annual concession fee guarantee to the City of \$4,075,000.

Resolution No. 73803 adopted.

- (b) Negotiate and execute a Concession Agreement with JCDecaux Airport, Inc. for Options #'s 1, 2 and 4, which are the options that JCDecaux submitted a proposal, the placement of fixed display in-terminal advertising, outdoor advertising, and promotional marketing opportunities at the Norman Y. Mineta San José International Airport for a seven-year term from the date of execution, with an option in the City's sole discretion to extend the term for an additional three-year period, and with a minimum annual concession fee guarantee to the City of \$2,300,000, in the event that the City Manager determines that the City and Clear Channel cannot agree upon the terms of the Concession Agreement for Option #5 by August 1, 2007.
- (c) Negotiate and execute a Concession Agreement with Clear Channel Outdoor, Inc., d/b/a Clear Channel Airports for Option #3, the placement of transit/bus shelter advertising, for a seven-year term from the date of execution, with an option in the City's sole discretion to extend the term for an additional three-year period, and with a minimum annual concession fee guarantee to the City of \$75,000, in the event that the City Manager determines that the City and Clear Channel cannot agree upon the terms of the Concession Agreement for Option #5 by August 1, 2007.

CEQA: Resolution Nos. 67380 and 71451, File No. PP07-096. (Airport)

Approved.

6.4 Approval of an agreement for airline technical and operational consulting services at the Airport.

Recommendation:

- (a) Approval of a Master agreement with Airport & Aviation Professionals, Inc. DBA AvAirPros for airline technical and operational consulting services at Norman Y. Mineta San José International Airport, from the date of execution to May 31, 2011, in an amount not to exceed \$1,560,952.

Approved.

(Item continued on the next page.)

6. TRANSPORTATION & AVIATION SERVICES

6.4 Approval of an agreement for airline technical and operational consulting services at the Airport. (Cont'd.)

- (b) Adoption of a resolution authorizing the City Manager to execute up to two, two-year options to extend the term at no increase in total compensation.

CEQA: Resolution Nos. 67380 and 71451, File No. PP07-065. (Airport)

Resolution No. 73804 adopted.

6.5 Approval to amend the Traffic Calming Policy to exempt the San Pedro Street Traffic Calming Pilot Project.

Recommendation: Adoption of a resolution exempting the Vendome Neighborhood Association from Traffic Calming Council Policy 5-6 and from the petition process contained within that policy with regard to traffic calming measures along San Pedro Avenue. CEQA: Exempt, File No. PP06-071. (City Manager's Office)

Heard in the evening.

Resolution No. 73808 adopted.

6.6 Approval of City membership in the Plug-In Partners National Campaign.

Recommendation: Approval of City membership in the Plug-In Partners National Campaign, which is focused on developing wide support to encourage automakers to consider a wide production of plug-in hybrid vehicles. CEQA: Not a Project.

(Environmental Services/General Services)

[Transportation and Environment Committee referral 5/21/07 – Item 6.1(j)]

Approved.

6.7 Approval of actions related to the Greenhouse Gas Reduction Goals.

Recommendation: Approval of the recommended Greenhouse Gas Emission Reduction Goal for municipal activities. CEQA: Not a Project. (Environmental Services)

[Transportation and Environment Committee referral 5/21/07 – Item 6.1(k)]

Approved, with the following directions:

- (1) **Adoption of the following targets for greenhouse gas emission reduction for municipal activities:**

- **2012: GHG emissions 25% below 1990 levels**
- **2015: GHG emissions 30% below 1990 levels**
- **2020: GHG emissions 35% below 1990 levels**
- **2030: GHG emissions 50% below 1990 levels**
- **2045: GHG emissions 80% below 1990 levels**

- (2) **Initiate dialogue with relevant stakeholders on determining a “community” greenhouse gas reduction goal.**

- (3) **Return to Transportation and Environment Committee in Fall 2007 with a status report on the municipal climate action plan goal.**

(Item continued on the next page.)

6. TRANSPORTATION & AVIATION SERVICES

6.7 Approval of actions related to the Greenhouse Gas Reduction Goals. (Cont'd.)

- (4) Direct Staff to work with each Council Office on identifying potential stakeholders to take part in the formation of a regional climate action plan for the purposes of establishing a community wide goal for greenhouse gas emissions reduction.**

7. ENVIRONMENTAL & UTILITY SERVICES

8. PUBLIC SAFETY SERVICES

9. JOINT COUNCIL/REDEVELOPMENT AGENCY

The Joint Redevelopment Agency Board convened at 4:07 p.m. to consider Item 9.1 in a Joint Session.

9.1 Vietnamese Business District Designation.

Recommendation:

- (a) Direct the Redevelopment Agency Executive Director to solicit community input on City recognition of Story Road between Highway 101 and Senter/Keyes Road as “Vietnamese Business District,” including direct outreach to business owners and residents in the vicinity, including the Tully/Senter and Spartan/Keyes Strong Neighborhood Initiative (SNI) areas.**
- (b) Direct the Redevelopment Agency Executive Director and City Manager to identify costs and approvals needed for the installation and maintenance of banners and median signs, and return to Council with recommendations for implementation based on community input.**

(Mayor/Nguyen)

[Rules Committee referral 5/23/07 – Item A2(a)3]

Approved.

- **Notice of City Engineer's Pending Decision on Final Maps**

In accordance with Sec. 19.16.140d of the San José Municipal Code, this is notice of the City Engineer's pending decision on the following Final Maps:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/ Units</u>	<u>Type</u>	<u>Proposed Decision</u>
9637	Northeast corner Buena Vista Ave & San Carlos St.	6	San Carlos Willard Associates, L.P.	34 Lots / 32 Units	Single Family Attached	Approve
9837	West side of Delmas Ave, 170 feet north of Dorothy Ave	6	McCarthy Land Co., LLC	11 Lots / 10 Units	Single Family Detached	Approve
9851	East side of Almaden Rd, at Malone Rd	6	The Olson Company	15 Lots / 56 Units	Single Family Attached	Approve
9879	West side of Boynton Ave, 520 feet north Akron Way	1	Russell Mahzoon	5 Lots / 4 Units	Single Family Attached	Approve
9917	West side of San Felipe Road, 300 feet south of Yerba Buena	8	Pinn Brothers		30 Lots / 25 Units	Single Family Detached
9923	East side of Almaden Road, 800 feet north of Curtner Avenue	6	Pacific Diversified		12 Lots / 11 Units	Single Family Detached

- **Open Forum (Heard no earlier than 3:30 p.m.)**

- (1) **Paul Manley made requests for public records relating to an enforcement issue.**
The matter was referred to the Rules and Open Government Committee.
- (2) **An actor impersonating Borat Sagideyev entertained the Council and provided a "teaser" for this year's Monday Night Live" to be held on June 25, 2007.**
- (3) **Mark Trout presented religious viewpoints.**
- (4) **Robert Apgar voiced personal observations.**

10. GENERAL PLAN PUBLIC HEARINGS ON CONSENT CALENDAR

(To be heard by the City Council at 7:00 p.m.)

No General Plan Public Hearing at this time.

CONTINUATION OF MAY 15, 2007 AND MAY 22, 2007 GENERAL PLAN HEARINGS

10.1 Tentative approval of General Plan Consent Calendar items.

Recommendation:

- (a) **Council initiation of the US101-Oakland/Mabury Area Development Policy.**

Council initiation of the US 101-Oakland/Mabury Area Development Policy.
CEQA: Not a Project. Council District 3. SNI: Thirteenth Street. (Planning,
Building and Code Enforcement)
District 3.

Tentatively approved.

- (b) **Text Amendment for property bounded by Forest Avenue, Winchester
Boulevard, City of Santa Clara, and State Route 17.**

Tentative approval of a General Plan text amendment request to change the *San José 2020 General Plan* text to increase the maximum allowable building height from 50 feet to 65 feet at Valley Fair Shopping Mall (Valley Fair Mall, LLC, Applicant/Westfield Corporation, Owner) located on an approximately 53-acre site bounded by Forest Avenue to the north, Stevens Creek Boulevard to the south, Winchester Boulevard and City of Santa Clara to the west, and State Route 17 to the east. Director of Planning, Building and Code Enforcement and the Planning Commission recommend approval (6-0-0). CEQA: Resolution to be adopted.

GP06-T-04 - District 6.

[Continued from 5/22/07 - Item 10.1(b)]

The Staff/Planning recommendation was tentatively approved.

CEQA Resolution 73809 adopted.

A Statement of Overriding Considerations was read into the record.

END OF GENERAL PLAN PUBLIC HEARINGS ON CONSENT CALENDAR

10. GENERAL PLAN PUBLIC HEARINGS

10.2 Text Amendment for property at the southeasterly corner of Airport Parkway and Old Bayshore Highway and amend the text of the Rincon South Specific Plan.

Recommendation:

- (a) Adoption of a resolution overriding a determination by the Airport Land Use Commission that the General Plan text amendment request File No. GP06-T-01 is inconsistent with the maximum allowable height policies of the Land Use Plan for Areas Surrounding Santa Clara County Airports due to inconsistency with the height regulations as stated in the FAA Part 77 elevations.

Resolution No. 73810 adopted.

- (b) Tentative approval of a General Plan text amendment request to change the *San José 2020 General Plan* text to increase the maximum allowable building height from 150 feet to 220 feet above ground level on an approximately 6.08-acre site located at the southeasterly corner of Airport Parkway and Old Bayshore Highway and amend the text of the Rincon South Specific Plan as it relates to the North San José Area Development Policy (Foster Enterprises, Owner/Applicant). Director of Planning, Building and Code Enforcement recommends approval and Planning Commission recommends deferral, which is deemed a negative recommendation of the Planning Commission pursuant to San José Municipal Code Section 18.08.100 (6-0-0). CEQA: Resolution No. 72768 and Addenda hereto.

GP06-T-01 - District 3

(Continued from 5/22/07 – Item 10.4)

Staff/Planning recommendation was tentatively approved.

10.3 Approval of all General Plan amendment actions from May 15, May 22 and June 5, 2007.

Recommendation: Adoption of a resolution approving all General Plan amendment actions taken on May 15, May 22 and June 5, 2007 and adoption of all related CEQA resolutions. (Planning, Building and Code Enforcement)

Resolution No. 73811 adopted.

11. PUBLIC HEARINGS ON CONSENT CALENDAR

11.1 Public Hearings on Consent Calendar.

Recommendation:

- (a) Consideration of an ordinance rezoning the real property located on the north side of Southside Drive approximately 250 feet westerly of Water Street (155 Southside Drive) from Unincorporated to the R-1-8 Single Family Residence Zoning District to allow residential uses on a 1.654 gross acres site (Yoh Frederick Y Et Al, Loh Fu M and Ying T Ms Fu-Mei Loh, Owner).

CEQA: Resolution No. 65459. Director of Planning, Building and Code Enforcement recommends approval. No Planning Commission action required.
C07-006 – District 7

Ordinance No. 28059 passed for publication.

11.2 Rezoning actions related to the real property located at the northeasterly corner of Cottle and Poughkeepsie Roads.

Recommendation:

- (a) Adoption of a resolution rescinding City Council certification of the Final EIR for the Lowe's Home Improvement Warehouse, Cottle Road, South San José Planned Development Rezoning File No. PDC02-086, which certification occurred on December 2, 2003; and

Resolution No. 73812 adopted.

Noes: Campos. Disqualified: Williams.

- (b) Consideration of approval of an ordinance rescinding Ordinance No. 27032 adopted by the City Council on December 16, 2003 rezoning the real property located at the southeasterly corner of Blossom Hill and Cottle Roads (5600 Cottle Road) from IP Industrial Park Zoning District to IP(PD) Planned Development Zoning District to allow approximately 222,673 square feet of commercial uses on an 18.75 gross acre site, the demolition of the existing IBM/Hitachi Research Building 25, and the removal of approximately 136 ordinance size trees from the site (CEQA: Resolution No. 65469); and

Ordinance No. 28060 passed for publication.

Noes: Campos. Disqualified: Williams.

- (c) Adoption of a resolution rescinding City Council Resolution No. 71860 adopted on December 2, 2003 making certain findings in connection with the Final EIR for the Lowe's Home Improvement Warehouse, Cottle Road, South San José Planned Development Rezoning File No. PDC02-086 as required by the California Environmental Quality Act of 1970, as amended, adopting a certain mitigation monitoring and reporting program, and setting for a statement of overriding considerations for identified significant environmental impacts; and

Resolution No. 73813 adopted.

Noes: Campos. Disqualified: Williams.

(Item continued on the next page.)

11 PUBLIC HEARINGS ON CONSENT CALENDAR

11.2 Rezoning actions related to the real property located at the northeasterly corner of Cottle and Poughkeepsie Roads. (Cont'd.)

- (d) Consideration of approval of an ordinance rezoning the real property located at the northeasterly corner of Cottle and Poughkeepsie Roads from IP(PD) Planned Development Zoning District to the A(PD) Planned Development Zoning District to allow the demolition of the existing industrial park buildings (Buildings 025, and 024 and 030) and associated site improvements, the removal of up to 385 trees from the site, and the construction of a new, approximately 204,000 square foot commercial facility (including a retail/commercial use, with a single occupant greater than 100,000 square feet (with a garden center), and other retail/commercial uses) (IBM, Owner). CEQA: Resolution to be adopted. Director of Planning, Building and Code Enforcement recommends denial and Planning Commission recommends denial. (6-0-1).

PDC06-003 – District 2

(Continued from 4/17/07 – Item 11.3, 5/1/07 – Item 11.2 and 5/15/07 – Item 11.2)

Ordinance No. 28061 passed for publication approving the Planned Development standards drafted by Staff, the proposed project and the findings, including the demolition of Building 025. The Council also accepted Lowe's offer of \$300,000 as a one-time financial contribution for historic preservation efforts Citywide to partially offset the permanent loss of a significant historic resource, and to delete a requirement from the proposed Planned Development Rezoning development standards that a wing of Building 025 be relocated and utilized as a retail building. In addition, the Council agreed to approve matching funds in the amount of \$300,000 each from the City (sales tax revenues from this project) and from the Redevelopment Agency (tax increments from this project) once those revenues were received by the City and Redevelopment Agency. A Statement of Overriding Considerations was read into the record.

Resolution No. 73814 adopted.

Noes: Campos. Disqualified: Williams.

11.3 ADMINISTRATIVE HEARING and approval of actions related real property located on the east side of Almaden Expressway.

Recommendation:

- (a) ADMINISTRATIVE HEARING on and consideration of a resolution denying the appeal and upholding the Director's adoption of a mitigated negative declaration for a Planned Development Rezoning from R-1-1 Single-Family Residence Zoning District to A(PD) Planned Development Zoning District to allow six single-family detached residential units on a 1.07 gross acre site located on the east side of Almaden Expressway, approximately 200 feet north of the terminus of Fleetwood Drive. Director of Planning, Building and Code Enforcement recommends to uphold the Planning Commission's decision to approve the Mitigated Negative Declaration.

Resolution No. 73815 adopted.

(Item continued on the next page.)

11 PUBLIC HEARINGS ON CONSENT CALENDAR

11.3 ADMINISTRATIVE HEARING and approval of actions related real property located on the east side of Almaden Expressway. (Cont'd.)

- (b) Consideration of an ordinance rezoning the real property located on the east side of Almaden Expressway, approximately 200 feet north of Fleetwood Drive (16310 Almaden Road) from R-1-1 Residence Zoning District to A(PD) Planned Development Zoning District to allow six single-family detached residences on a 1.07 gross acre site (Rds Investments Chris Soukoulis, Owner/Developer).

CEQA: Mitigated Negative Declaration. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (5-0-2). PDC06-070 - District 10

(Continued from 5/1/07 – Item 11.4 and 5/15/07 – Item 11.4)

Ordinance No. 28062 passed for publication, with direction as follows:

- (1) **At a time that the underutilized properties to the north and south of the subject site are proposed for development, Staff shall explore the feasibility of alternative access to those sites utilizing Almaden Expressway.**
- (2) **In recognition that the properties to the north and south are expected to soon request rezonings, Staff should proactively study and analyze access for these sites via Almaden Expressway and meet with the Santa Clara County Roads and Airports Department to discuss guidelines and implementation of an acceleration and deceleration lane.**

11.4 Consideration of an ordinance rezoning the real property located at the area generally bounded by Kentwood Avenue, Highway 85 and properties fronting S. DeAnza Blvd.

Recommendation: Consideration of an ordinance rezoning the real property located at the area generally bounded by Kentwood Avenue, Highway 85 and properties fronting S. De Anza Blvd from CP Commercial Pedestrian Zoning District to A(PD) Planned Development Zoning District to allow approximately 57 single-family attached residences and one (1) single-family detached residence and approximately 8,000 sq.ft. of commercial uses on a 4.2 gross acre site (Sue Dillon, Braddock & Logan Group, Owner/Developer). CEQA: Mitigated Negative Declaration. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (6-0-0).

PDC06-122 – District 1

Ordinance No. 28063 passed for publication.

11 PUBLIC HEARINGS ON CONSENT CALENDAR

11.5 Consideration of a conservation area designation request.

Recommendation: Consideration of a conservation area designation request to designate as a Conservation Area the area generally bounded on the north by Interstate 280, on the east by the property lines of the abandoned Southern Pacific Railroad alignments (approximately a continuation of South Fourth Street), on the west by the alley between South First and Second Streets, and on the south by Martha Street (Various Owners/City of San José, Applicant). SNI: Spartan Keyes. CEQA: Exempt. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (6-0-0).

CA07-001 – District 3

Continued to 8/14/07 per Rules Committee.

11.6 Consideration of an ordinance rezoning the real property located on the southeast corner of Zanker Road and River Oaks Drive.

Recommendation: Consideration of an ordinance rezoning the real property located on the southeast corner of Zanker Road and River Oaks Drive (3300 Zanker Road) from (IP) Industrial Park Zoning District to A(PD) Planned Development Zoning District to allow up to 1,900 single-family attached residences and 31,360 square feet for retail commercial, leasing office, and clubhouse uses on a 38.25 gross acre site (Irvine Apartment Communities, property owner and developer). CEQA: Addendum to the Final Environmental Impact Report for North San José Area Development Policies Update, Resolution No. 72768.

PDC06-038 – District 4

Continued to 6/19/2007 per the Mayor. City Clerk directed to forward to the Planning Commission the Mayor's request to hold a special hearing on or before June 18, 2007. Second reading of the ordinance will be held on June 26, 2007.

11.7 Consideration of an ordinance zoning the real property located on the north side of Alum Rock Avenue.

Recommendation: Consideration of an ordinance zoning the real property located on the north side of Alum Rock Avenue, approximately 200 feet southerly of 34th Street (1629 Alum Rock Ave), to amend the required driveway width of a previously approved zoning on the site (File No. PDC03-090) from 20 to 18 feet to allow a radio station on a 0.33 gross acre site (Vieira Batista S and Dolores M Trustee, Owner). SNI: Five Wounds/Brookwood Terrace. CEQA: Exempt. Director of Planning, Building and Code Enforcement recommends approval. No Planning Commission action required.

PDC07-019 – District 5

Ordinance No. 28064 passed for publication.

11 PUBLIC HEARINGS ON CONSENT CALENDAR

11.8 Consideration of an ordinance rezoning the real property located on the west side of Dent Avenue.

Recommendation: Consideration of an ordinance rezoning the real property located on the west side of Dent Avenue approximately 500 feet north of Kooser Road (5331 Dent Avenue) from the R-1-8 Residential Zoning District to the A(PD) Planned Development Zoning District to allow 12 single-family detached residences (RWL Group LLC, Owner). CEQA: Negative Declaration. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (6-0-0).

PDC07-001 – District 9

Ordinance No. 28065 passed for publication.

- **Open Forum**

The following individuals spoke in support of rebuilding and/or renovating Fire Station No. 2: Edie Pricolo, John S. Leyba, Drew Allen (Story Ridge Neighborhood Association), Judy Soito, Jim Boales (Arbuckle Neighborhood), Len Ramirez (Alum Rock Neighborhood), David Sanchez (Alum Rock Neighborhood Coalition), Elsie Aranda, Alofa Talivaa, and Elizabeth Driedger. Erik Kaeding and Jean Marlowe spoke in opposition to Council action taken regarding Item 11.2.

- **Adjournment**

The Council of the City of San Jose was adjourned at 10:30 p.m. in honor of Jerrold Hiura and his wife Lucia Cha Hiura, longtime community leaders in Japantown.

8. JOINT REDEVELOPMENT AGENCY ITEM

The Joint Redevelopment Agency Board convened at 4:07 p.m. to consider Items 8.1 in a Joint Session.

8.1 Approval of an agreement with LMN Architects for architectural and design services for the San Jose McEnery Convention Center Expansion.

Recommendation: Approval of an agreement with LMN Architects, in the amount of \$400,000, for architectural and design master planning services for the San Jose McEnery Convention Center Expansion. CEQA: Exempt. File No. PP07-083.

[GUADALUPE-AUZERAIS]

Approved.

8.2 Approval of an amendment to an agreement with Leddy Maytum Stacy Architects, for architectural services for CDM Expansion Project.

Recommendations:

- (a) Adoption of a resolution by the City Council making certain determinations required by Redevelopment Law, Health and Safety Code Section 33445, for Agency funding of the architectural services for the Children's Discovery Museum Expansion Project Master Plan and Phase One of the Project: Mechanical System Upgrades.

Resolution No. 73805 adopted.

- (b) Approval of the first amendment to an agreement with Leddy Maytum Stacy Architects, in the amount of \$155,000 for a total contract amount not to exceed \$230,000, for architectural services for the master plan of the Children's Discovery Museum Expansion Project and Phase One of the Project, Mechanical System Upgrades.

CEQA: Not a project. **[GUADALUPE-AUZERAIS]**

Approved.

8.3 Approval of actions related to the transfer of ownership of Bellevue Avenue Park from the Redevelopment Agency to the City of San Jose.

Recommendation: Adoption of resolutions by the Redevelopment Agency Board and the City Council:

- (a) Approving a Cooperation Agreement between the City and the Agency, providing for the transfer of the Bellevue Avenue Park property from the Agency to the City; and,
- (b) Authorizing the City Manager and Executive Director to execute all documents necessary to affect the transfer of ownership of the land to the City of San Jose.

CEQA: Mitigated Negative Declaration, File No. PP03-289. **[MONTEREY CORRIDOR]**

Resolution No. 73806 adopted.

Redevelopment Agency Resolution No. 5750 adopted.

8. JOINT REDEVELOPMENT AGENCY ITEM

8.4 Approval of a DDA with Imwalle Properties; acceptance of the 33433 Summary Report and Re-Use Valuation, and actions related to development of the Site located at 1696 Story Road and 1101 South King Road.

Recommendation:

- (a) Adoption of a resolution by the City Council approving the sale of the project site located at 1696 Story Road and 1101 South King Road to Imwalle Properties, accepting the 33433 Summary Report and Re-Use Valuation, and finding that the sale of the property will assist in the elimination of blight, is consistent with the Implementation Plan for the Story Road Redevelopment Project Area, and that the consideration for the property is not less than the fair reuse value for the proposed use, with the covenants and conditions and development costs authorized by the Disposition and Development Agreement (DDA).

Resolution No. 73807 adopted.

- (b) Adoption of a resolution by the Redevelopment Agency Board approving a DDA with Imwalle Properties and authorizing the Executive Director to execute the DDA and ancillary documents contemplated by the DDA, to close escrow subject to compliance with the terms of the DDA, and to negotiate and execute amendments to the DDA substantially in conformance with the intent of the DDA and as reasonably necessary to conform to lender requirements.

Redevelopment Agency Resolution No. 5751 adopted.

- (c) Adoption of a resolution by the Redevelopment Agency Board amending the FY 2006-2007 Revenue Resolution to decrease Other/Miscellaneous Revenue by \$2,150,000 to reflect the adjusted price and the deferred sale of the subject property to FY 2007-08 at the adjusted price of \$1,600,000, a net decrease of \$550,000 to the Agency's Capital Reserve; and amending the FY 2006-2007 Agency appropriations resolution.

CEQA: Mitigated Negative Declaration. File No. CP03-030. **[STORY ROAD]**

Redevelopment Agency Resolution No. 5752 adopted.

8.5 Approval of a Settlement Agreement with West Hotel Partners, L.P.

Recommendations:

- (a) Redevelopment Agency Board and City Council approval of an agreement with West Hotel Partners, L.P., settling pending litigation on Convention Center parking and providing for the upgrade of the hotel located at 300 Almaden Boulevard, at a maximum cost to the Agency of \$3,829,944.
- (b) Redevelopment Agency Board approval of the First Amendment to the Amended and Restated Ground Lease with West Hotel Partners, L.P., modifying the terms of the Hilton Hotel parking rates at the Convention Center pursuant to the Settlement Agreement.

Approved.

(Item continued on the next page.)

8. JOINT REDEVELOPMENT AGENCY ITEM

8.5 Approval of a Settlement Agreement with West Hotel Partners, L.P. (Cont'd.)

- (c) Adoption of a resolution by the Redevelopment Agency Board approving the addition to the FY 2006-07 Adopted Capital Budget of \$3,830,000 to the Hilton Hotel new project line in the Guadalupe-Auzerais Redevelopment Area, and amending the FY 2006-2007 Agency appropriations resolution.

CEQA: Exempt. File No. PP07-114. **[GUADALUPE-AUZERAIS]**
Redevelopment Agency Resolution No. 5753 adopted.

The Council of the City of San José, and Redevelopment Agency Board adjourned at 5:02 p.m.